

RA3

**UNAPPROVED MEETING MINUTES
CITY OF MILPITAS**

Meeting Minutes: Regular Meeting of the Redevelopment Agency
(Including Joint Meeting with the City Council)

Date: Tuesday, November 1, 2005

Time: 7:00 PM

Location: City Hall Council Chambers, 455 E. Calaveras Blvd.

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA1. CALL TO ORDER Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at PM.

RA2. ROLL CALL **PRESENT:** Mayor/Chair Esteves, Vice Chair/Vice Mayor Gomez and Agency/Councilmembers Giordano, Livengood and Polanski

ABSENT: None

RA3. MINUTES Motion: to approve the Redevelopment Agency minutes of October 18, 2005, including joint meeting with the City Council, as submitted.

Motion/ Second: Vice Chair/Vice Mayor Gomez / Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

RA 4. Approval of Agenda and Consent Calendar Motion: to approve the agenda and consent calendar

Motion/Second: Agency/Councilmember / Agency/Councilmember

Motion carried by a vote of: AYES: 5
NOES: 0

RA 5. Receive Progress Report on Library, and Midtown East Parking Garage, and Approve the Design Development Phase for the Library, Project No's. 8161 & 8162

Project Manager Mark Rogge discussed the progress of the Library project. Project schedule was maintained about one month ahead of schedule. The \$39 million spending plan was moving right along, per the displayed information he provided to the Council. He reviewed spending line items, as on target, for the library including the Total Fixed Furniture and Equipment of \$3.8 million, with a 6% contingency as planned.

Consultant Mr. David Schnee, principal of Group 4 Architecture, stated that he and staff had moved toward the actual specific design, the predecessor to the construction document phase, and then on into actual construction. He displayed a moving computer animation of the proposed library and its surroundings.

(1) Motion: approve 100% Design development phase

Motion/ Second: Vice Chair/Vice Mayor Gomez / Agency/Councilmember Polanski

Motion carried unanimously by a vote of: AYES: 5
NOES: 0

RA 5 continued

Mr. Rogge then reviewed the east parking garage and gave a visual presentation showing the top floor. He displayed the angle of cars that would be viewed from the top section.

Councilmember Livengood brought out the issue of closure of any streets when construction occurs. There was a request from the Subcommittee to the staff not to close any street, and to avoid detours, with a very particular concern for the businesses on Main St.

Mayor Esteves also asked staff about the traffic impact on Calaveras Blvd and other surrounding streets during construction. The staff agreed to take these points into consideration as construction approached.

Mayor Esteves inquired about the clean-up schedule during construction. Mr. Rogge explained the delay in acquisition of property (due to one tenant) caused a delay with the required clean-up and that issue would be brought back to the Subcommittee.

(2) Motion: note receipt and file staff report on the design of the library and Midtown East parking garage

Motion/ Second: Chair/Mayor Esteves / Agency/Councilmember Polanski

Motion carried unanimously by a vote of: AYES: 5
NOES: 0

RA 6. Acceptance of the City's Comprehensive Annual Financial Report, Component Unit Financial Statements, and Other Related Annual Audited Reports For The Fiscal Year Ended June 30, 2005

Finance Director Emma Karlen provided the overview of the Comprehensive Annual Financial Report and other documents presented. She explained that Terrace Gardens was included as a stand-alone component unit (in the CAFR) even though it is now a non-profit entity, since the City does have control of operating budget and the Board of Directors. Due to its by-laws, Terrace Gardens must be included here in reporting.

Statements were prepared in conformity with general accepted accounting principles, per the auditors' unqualified opinion. Slides were reviewed similar to information that was previously presented on September 20.

The Finance Director stated that General Fund expenditures were \$3.3 million under budget. The 15% Reserve level in last five years has been met. And, Redevelopment revenues were reduced \$3.26 million (high tech down, Agency had to give the state \$3 million for ERAF).

Vice Mayor Gomez inquired about Motor Vehicle license fees. The Finance Director explained the state had paid the City in a one-time reimbursement of \$3.26 million (of property tax), due to the state permanently reducing vehicle license fees several years ago.

RDA Fund balances totaled \$158.3 million, which include \$16.9 in reserves, \$20.9 designated for housing expenditures, \$92.5 for non-housing and \$28 million for non-housing unreserved funds.

Councilmember Giordano asked if there were any anticipated changes in next quarter? Ms. Karlen replied yes, and it would be detailed in the next agenda item.

Motion: note receipt and file of CAFR and other audit reports

Motion/Second: Vice Mayor/Vice Chair Gomez/ Agency/Councilmember Giordano

Motion carried unanimously by a vote of: AYES: 5
NOES: 0

Finance Director Emma Karlen provided an overview of the General Fund for the first three months of the current fiscal year. Approximately 17% of budgeted revenues had been received already, which was more than last year at this time.

Sales Tax revenue increased (compared to last year first quarter) due to general retail, restaurant and some business-to-business segment increases. A large increase in revenue was noted recently in building permit applications (from large developers such as KB Homes), but she noted that such developments are cyclical. Motor vehicle license fees increased, seemingly large from the repayment by the state in one lump sum of \$1.1 million (due to cities by the state). Transient Occupancy (hotel) Tax showed a slight increase of 9% in the last quarter.

Regarding expenditures, she pointed out that some departments have exceeded 25% of allotted budget in the first quarter and that was due in most cases to fees that must be paid at the beginning of the year. Examples of these items were software licenses, insurance premiums, and Chamber of Commerce contribution.

Councilmember Livengood asked, in looking at specific departments, 25% had been spent over the year's budget. Why was that? Staff replied that in the City Council budget was the payment to the Chamber of Commerce. For Recreation Department, expense reflects summer activity in July, August. For Information Services, computer software licensing due at the beginning of year. In Human Resources, payment of workers' compensation was due at beginning of the year.

Motion: note receipt and file of status report

Motion/Second: Vice Mayor/Vice Chair Gomez/ Agency/Councilmember Giordano

Motion carried unanimously by a vote of:

	AYES: 5
	NOES: 0

Approved Budget Appropriations as follows:
 \$400,000 from the Storm Drain Fund,
 \$350,000 from the Water Fund,
 \$105,000 from developer reimbursements, and
 \$100,000 from the 2003 RDA Tax Allocation Bonds for N. Main Street utility improvements.

Awarded the construction contract for the Police Evidence Freezer, Project No. 8159, to All Temp Engineering, Inc. in the amount of \$94,800.

A modification to the westerly mechanical shade system was needed to install the shade. A contract change order for this shade modification, in the amount of \$8,000, was necessary.

Approved Contract Change Order for mechanical shade system modification.

Adopted RDA Resolution No. RA 244 granting initial acceptance of the project subject to the one-year warranty period and reduction of the faithful performance bond to \$8,462.

*** RA 12. Adopt Resolution
Granting Initial Acceptance:
Utility Relocation Project
Weller Lane and Winsor
Street, Phase I, Project 8153**

Adopted RDA Resolution No. RA 245 granting initial acceptance of the project subject to the one-year warranty period and reduction of the faithful performance bond to \$66,847.86.

*** RA 13. City of Milpitas
Investment Portfolio Status
Report for the Quarter Ended
September 30, 2005**

Noted receipt and filed the investment report for the quarter ended September 30, 2005.

**RA 14.
ADJOURNMENT**

Chair/Mayor Esteves adjourned the Redevelopment Agency meeting at 8:22 PM.

Respectfully submitted by:

**Mary Lavelle
Agency Secretary / City Clerk**